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## SENATE BILL No. 448

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### DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-1.1-10-44.

**Synopsis:** Personal property tax exemption for IT equipment. Provides that enterprise information technology (IT) equipment owned by an eligible business is exempt from personal property taxation for 25 years following the date on which the equipment is placed in service.

**Effective:** July 1, 2009.

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### Charbonneau

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January 14, 2009, read first time and referred to Committee on Tax and Fiscal Policy.

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Introduced

First Regular Session 116th General Assembly (2009)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

## SENATE BILL No. 448

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. IC 6-1.1-10-44 IS ADDED TO THE INDIANA CODE  
2       AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
3       1, 2009]: **Sec. 44. (a) As used in this section, "eligible business"**  
4       **means any of the following entities:**

5               **(1) An entity whose primary activity is properly classified by**  
6               **one (1) or more of the following North American Industry**  
7               **Classification System codes:**

8                       **(A) 333295 Semiconductor machinery manufacturing.**

9                       **(B) 333314 Optical instrument and lens manufacturing.**

10                      **(C) 333315 Photographic and photocopying equipment**  
11                      **manufacturing.**

12                      **(D) 334413 Semiconductor and related device**  
13                      **manufacturing.**

14                      **(E) 334510 Electromedical and electrotherapeutical**  
15                      **apparatus manufacturing.**

16                      **(F) 334511 Search, detection, navigation, guidance,**  
17                      **aeronautical, and nautical system and instrument**



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manufacturing.

(G) 335921 Fiber optic cable manufacturing.

(H) 518210 Data processing, hosting, and related services.

(I) 541513 Computer facilities management services.

(J) 541711 Research and development in biotechnology.

(K) 541712 Research and development in the physical, engineering, and life sciences (except biotechnology).

(2) An entity with business operations:

(A) having a capitalization of at least thirty million dollars (\$30,000,000) in tangible property investment in Indiana; and

(B) in which the average employee wage is at least one hundred twenty-five percent (125%) of the county average wage for each county in which the entity conducts business operations.

(b) As used in this section, "enterprise information technology equipment" means the following:

(1) Rack-mounted networking hardware, including servers and routers, that serve the data communications needs of a business enterprise.

(2) Rack-mounted networking systems having an industry designation as equipment within the "enterprise" or "data center" class of networking systems.

The term does not include computer hardware designed for single-user, workstation, or departmental level use.

(c) Enterprise information technology equipment owned by an eligible business is exempt from personal property taxation for the twenty-five (25) immediately succeeding assessment dates following the date on which the enterprise information technology equipment is first placed in service.

(d) If the ownership of enterprise information technology equipment is transferred, the transferee is entitled to the exemption provided by subsection (c) for each assessment date:

(1) on which the transferee is an eligible business; and

(2) that occurs on or before the twenty-fifth immediately succeeding assessment date following the date on which the enterprise information technology equipment was first placed in service by the original owner.

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